

Alcohol and Drug Services

DESCRIPTION OF MAJOR SERVICES

The Department of Behavioral Health's Alcohol and Drug Services program consists of comprehensive substance abuse prevention and treatment programs to county residents. Services are provided by 6 county operated clinics and approximately 30 contractors. The major components include outpatient, residential, prevention, methadone, and case management services. Annually, approximately 12,500 clients are served and over 80,000 hours of prevention services are performed.

Alcohol and Drug services (ADS) are primarily funded by federal block grant and state revenues (62%). The remaining sources of revenue are court fines for Driving Under the Influence (DUI) offenses, fees for services, and reimbursements provided by Human Services System (HSS) CalWORKs program and the Proposition 36 (Prop. 36) – Substance Abuse and Crime Prevention Act program. In addition, the county must fund the required maintenance of effort (MOE) for the block grant and state funds. The department's local cost of \$149,458 finances the required MOE.

BUDGET AND WORKLOAD HISTORY

	Actual 2003-04	Budget 2004-05	Estimate 2004-05	Proposed 2005-06
Appropriation	19,218,436	20,577,850	18,267,996	19,085,440
Departmental Revenue	19,068,977	20,428,392	18,118,538	18,935,982
Local Cost	149,459	149,458	149,458	149,458
Budgeted Staffing		74.1		75.8
<u>Workload Indicators</u>				
Drug Abuse Prevention Hours	84,470	85,000	80,000	81,600
Residential Treatment Clients	2,399	2,500	2,313	2,475
Outpatient Treatment Clients	8,009	8,100	9,113	9,751
Methadone Treatment Clients	895	900	1,102	1,179

Overall, estimated expenditures are expected to be under budget by \$2.3 million.

The Department realized salary savings of \$0.8 million due to holding some positions vacant throughout the year.

Estimated services and supplies are \$1.7 million under budget. The variance is due to the following:

- Computer software expenses, which are estimated at approximately \$0.2 million less than budget. The 2004-05 budget included possible MEDITECH implementation costs, which did not materialize. All MEDITECH planning costs are being included in the 2005-06 Mental Health budget.
- Contract agency expenditures are estimated at \$1.1 million less than budget due to smaller than anticipated contract expenditures by Medi-Cal and CalWORKs providers.
- Medical/dental/laboratory supply purchases are estimated at approximately \$0.3 million less than budget. The 2004-05 budget included plans to purchase a large quantity of drug testing kits, to be utilized by the Prop. 36 clients. However, only a minimal number of kits were purchased due to lower than anticipated need.
- Miscellaneous net changes of approximately \$70,000 were primarily attributed to a significant savings in communication costs. The budget included plans for relocating staff and purchasing upgraded equipment, which neither materialized.

Estimated reimbursements are approximately \$150,000 less than budget due to under-spending of CalWORKs allocation funds. The department continues to explore ways to maximize this funding source.

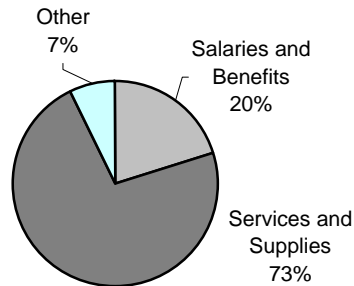
Estimated revenues are also \$2.3 million less than budget. This budget unit is primarily funded by federal block grant and state general fund allocation and these revenues are estimated to decrease commensurately with the decrease in expenditures. Unspent Substance Abuse Prevention and Treatment (SAPT) funds are deposited in the Special Revenue fund SDH MLH, and must be spent within the next 18 months or they must be returned to



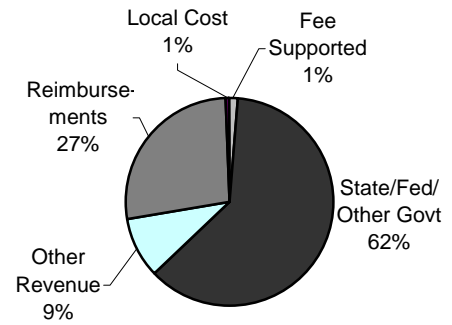
the state. The state requests that counties reserve between 20% and 30% of the annual allocation, for use in the following year. The department is currently maintaining a balance of approximately 28%.

All workload indicators were adjusted in the proposed budget to reflect current year trends.

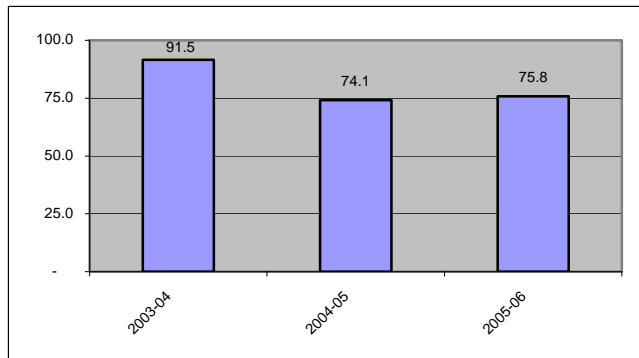
2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY



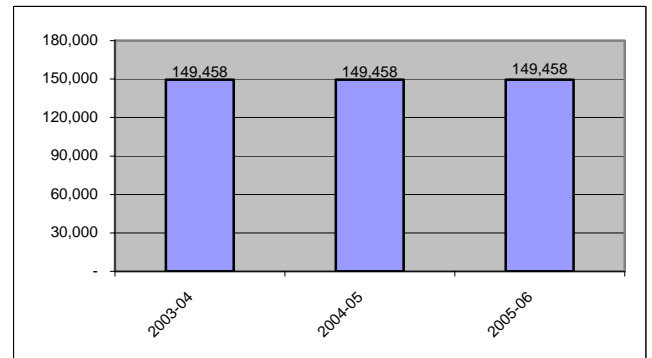
2005-06 BREAKDOWN BY FINANCING SOURCE



2005-06 STAFFING TREND CHART



2005-06 LOCAL COST TREND CHART



GROUP: Administrative/Executive
DEPARTMENT: Alcohol and Drug Services
FUND: General

BUDGET UNIT: AAA ADS
FUNCTION: Health & Sanitation
ACTIVITY: Hospital Care

ANALYSIS OF 2005-06 BUDGET

	A	B	C	D	B+C+D E	F Department Recommended Funded Adjustments (Schedule A)	E+F G
	2004-05 Year-End Estimates	2004-05 Final Budget	Cost to Maintain Current Program Services	Board Approved Adjustments	Board Approved Base Budget		2005-06 Proposed Budget
<u>Appropriation</u>							
Salaries and Benefits	3,902,758	4,713,977	376,785	-	5,090,762	230,123	5,320,885
Services and Supplies	18,553,264	20,228,376	(10,162)	-	20,218,214	(1,207,392)	19,010,822
Transfers	1,840,609	1,813,600	-	-	1,813,600	53,771	1,867,371
Total Exp Authority	24,296,631	26,755,953	366,623	-	27,122,576	(923,498)	26,199,078
Reimbursements	(6,028,635)	(6,178,103)	-	-	(6,178,103)	(935,535)	(7,113,638)
Total Appropriation	18,267,996	20,577,850	366,623	-	20,944,473	(1,859,033)	19,085,440
<u>Departmental Revenue</u>							
State, Fed or Gov't Aid	15,407,107	17,554,888	316,163	-	17,871,051	(1,782,716)	16,088,335
Current Services	365,530	215,982	6,964	-	222,946	165,807	388,753
Other Revenue	26,100	125,000	-	-	125,000	(94,000)	31,000
Other Financing Sources	2,319,801	2,532,522	-	-	2,532,522	-	2,532,522
Total Revenue	18,118,538	20,428,392	323,127	-	20,751,519	(1,710,909)	19,040,610
Operating Transfers In	-	-	43,496	-	43,496	(148,124)	(104,628)
Total Financing Sources	18,118,538	20,428,392	366,623	-	20,795,015	(1,859,033)	18,935,982
Local Cost	149,458	149,458	-	-	149,458	-	149,458
Budgeted Staffing		74.1	-	-	74.1	1.7	75.8

The majority of the Alcohol & Drug program services provided by the department are through contracted providers, which account for approximately 71% of total budgeted expenditures.

Budget to budget there is a decrease in both appropriations and revenue of \$1.5 million.

Salaries and benefits will increase by approximately \$0.6 million out of which sixty two percent is due to increased costs in retirement, workers compensation, and potential MOU increases. The other thirty-eight percent (230K) is due to the increase in budgeted staffing of 1.7 positions. There are no new positions being requested. The increase in budgeted positions is a result of transferring positions from the Mental Health budget to the Alcohol & Drug program, adding additional budget for a deputy director and a contracted doctor, and deleting a Mental Health Program Manager position no longer needed in the department.

Services and supplies will decrease by approximately \$1.2 million due to: 1) the restructure of contracts to reflect current year expenditures trend and an expansion on CalWORKs services; 2) a reduction in computer services expenditures as MEDITECH implementation costs are now reflected in the Mental Health budget; 3) a reduction in COWCAP charges; 4) a reduction in medical supplies to reflect current needs for drug testing kits for Prop. 36 clients; and 5) a minor reduction in miscellaneous expenditures including risk management insurance.

Transfers will increase by \$53,771 due to increases in rent expense and court administration partially offset by a minor decrease in EHAP.

Reimbursements will increase by \$0.9 million due to the net impact of increasing the CalWORKs and Prop. 36 budgets; partially offset by an increase in the collection of Prop. 36 fees as reflected in Current Services.

The 2005-06 proposed budget includes an accounting change for the SAPT Block Grant and transfer to the Special Revenue Fund SDH. Previous budgets reflected the entire allocation as part of the ADS budgeted revenue. However, amounts have been reduced to meet the guidelines set by the state to maintain a contingency of 20-30% in the SDH fund. The transfer is made possible by increases to Drug Court and Parolee Services Network (PSN) claims, Patient Payments and Insurance as well as reductions in contracted services.

Other revenue changes include a reduction in Other Revenue to reflect current collections of child care fees and a reduction in Operating Transfers In due to the projected increase in Parolee Services Network claims and insurance collections.



DEPARTMENT: Alcohol and Drug Services
 FUND: General
 BUDGET UNIT: AAA ADS

SCHEDULE A

DEPARTMENT RECOMMENDED FUNDED ADJUSTMENTS

Brief Description of Program Adjustment	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost
1. Net transfer of staff between the Mental Health budget unit (MLH) and ADS Five positions were transferred from MLH to ADS and three were transferred from ADS to MLH to more accurately reflect the duties and funding of positions.	2.0	227,233	-	227,233
2. Delete Mental Health (MH) Program Manager position This position was incorrectly added to the ADS budget in 2004-05 and was also budgeted in the MLH budget. For 2005-06 is correctly budgeted in the MLH budget only.	(1.0)	(112,749)	-	(112,749)
3. Deputy Director MH Program position Added additional budget for vacant Deputy Director position expected to be filled in 2005-06.	0.3	32,128	-	32,128
4. Increase in contract doctor positions Hours were increased to adequately staff clinics to meet the growing demands of co-occurring disorders (mental health and drug and alcohol disorders). Expansion of clinic hours also resulted in the need for additional Doctor's (MD) time.	0.4	83,511	-	83,511
5. Software The 2004-05 budget included plans for the implementation of MEDITECH. However, these costs did not materialize. Planning estimates for MEDITECH have been included in the MLH budget for 2005-06.		(200,000)	-	(200,000)
6. COWCAP reduction COWCAP charges decreased for the 2005-06 year.		(110,414)	-	(110,414)
7. Service contract changes Several contracts are being restructured to reflect current year expenditure trend and to expand CalWORKS services. Additional CalWORKS funding was awarded and is reflected in Reimbursements. The net change is a decrease of \$521,446.		(521,446)	-	(521,446)
8. Reduce Medical Supplies The 2004-05 budget included plans to purchase a large quantity of drug testing kits, to be utilized by Prop. 36 clients. However, only a portion of these were purchased due to lower than anticipated need. The proposed budget includes plans to continue at the current purchasing level.		(330,344)	-	(330,344)
9. Miscellaneous Line-Item Changes Net decreases in miscellaneous costs such as phone services, food, and equipment rental.		(45,188)	-	(45,188)
10. Miscellaneous changes to Transfers Transfers changes include the following: Rent paid to Real Estate Services increased by \$33,446, Drug Court Administration transfer to Courts increased by \$22,798, and EHAP decreased by \$2,473		53,771	-	53,771
11. Changes to Reimbursements Net impact of increasing CalWORKS and Prop. 36 budgets, partially offset by an anticipated increased in Prop. 36 fees as reflected in Current Services. Minor adjustments were made to other reimbursements to reflect the Memorandum Of Understanding (MOU) increases in other departments.		(935,535)	-	(935,535)
12. State, Federal and Government Aid Increases to Drug Court and Parolee Services Network (PSN) claims, Patient Payments and Insurance as well as reductions in contracted expenses reduce the reliance on the SAPT Block Grant allocation. The unused revenue is now reflected in the special revenue fund SDH.		-	(1,782,716)	1,782,716
13. Current Services The 2004-05 budget did not include line-item budgets for Patient Payments and Insurance. The 2005-06 budget is based on current collection trends. Also contributing to this change is the anticipated increase in Prop. 36 fee collections.		-	165,807	(165,807)
14. Other Revenue (Child Care fees CPS) Child Care fees are decreased to reflect current collection trends.		-	(94,000)	94,000
15. Operating Transfers In from Special Revenue Funds Net result of proposed revenue and appropriations presented in the 2005-06 budget. The reduction in the required transfer is based on projected Drug Court and PSN claims continuing at the current level.		-	(148,124)	148,124
Total	1.7	(1,859,033)	(1,859,033)	-

